



## **FEDERAL RESERVE SYSTEM**

### **Agency Information Collection Activities: Announcement of Board Approval under Delegated Authority and Submission to OMB**

**AGENCY:** Board of Governors of the Federal Reserve System.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to extend for three years, without revision, the Recordkeeping Requirements Associated with Regulation GG (Prohibition on Funding of Unlawful Internet Gambling) (FR 4026; OMB No. 7100-0317).

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC, 20551 (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17<sup>th</sup> Street, N.W., Washington, DC 20503 or by fax to (202) 395-6974.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instrument(s) are placed

into OMB's public docket files. The Board may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

**Final approval under OMB delegated authority of the extension for three years, without revision of the following report:**

*Report title:* Recordkeeping Requirements Associated with Regulation GG (Prohibition on Funding of Unlawful Internet Gambling).

*Agency form number:* FR 4026

*OMB control number:* 7100-0317

*Frequency:* Annual.

*Respondents:* Depository institutions, credit unions, card system operators, and money transmitting business operators.

*Estimated number of respondents:* 2,628 depository institutions, 2,839 credit unions, 7 card system operators, 43 money transmitting business operators, and 3 new or de novo institutions.

*Estimated average hours per response:* Ongoing annual burden of 8 hours per recordkeeper for depository institutions, credit unions, card system operators, and money transmitting business operators. One-time burden of 100 hours for new or de novo institutions.

*Estimated annual burden hours:* Ongoing burden, 44,436 hours, and one-time burden, 300 hours.

*General description of report:* On November 18, 2008, the Board and the Department of the Treasury (the agencies) published a joint notice of final rulemaking in the *Federal Register* (73 FR 69382) adopting a rule on a prohibition on the funding of unlawful internet gambling pursuant to the Unlawful Internet Gambling Enforcement Act of 2006 (the Act). Identical sets of the final joint rule with identically numbered sections were adopted by the Board and the Department of the Treasury (the Treasury) within their respective titles of the Code of Federal Regulations (12 CFR Part 233 for the Board and 31 CFR Part 132 for the Treasury). The compliance date for the joint rule was June 1, 2010 (74 FR 62687). The collection of information is set out in sections 5 and 6 of the joint rule.<sup>1</sup> Section 5 of the joint rule, as required by the Act, requires all non-exempt participants in designated payment systems to establish and implement written policies and procedures reasonably designed to identify and block or otherwise prevent or prohibit transactions in connection with unlawful internet gambling. Section 6 of the joint rule provides non-exclusive examples of policies and procedures deemed by the agencies to be reasonably designed to identify and block or otherwise prevent or prohibit transactions restricted by the Act.

*Legal authorization and confidentiality:* The Board is authorized pursuant to section 802 of the Act (31 U.S.C. 5364(a)) to prescribe regulations requiring designated payment systems and participants therein to establish of policies and procedures to identify and block or otherwise prevent or prohibit restricted transactions. The FR 4026 is mandatory. The policies and procedures are not required to be submitted to the Board, so normally no

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<sup>1</sup> Section 802 of the Act requires the agencies to prescribe joint regulations requiring each designated payment system, and all participants in such systems, to identify and block or otherwise prevent or prohibit restricted transactions through the establishment of policies and procedures reasonably designed to identify and block or otherwise prevent or prohibit the acceptance of restricted transactions.

confidentiality issues would be implicated. To the extent such policies and procedures are obtained by the Board through the examination process, they may be kept confidential under exemption 8 of the Freedom of Information Act (5 U.S.C. 552(b)(8)), which protects information contained in or related to an examination of a financial institution.

*Current actions:* On April 17, 2018, the agencies published a joint notice in the *Federal Register* (83 FR 16857) requesting public comment for 60 days on the extension, without revision, of the Recordkeeping Requirements Associated with Regulation GG (Prohibition on Funding of Unlawful Internet Gambling). The comment period for this notice expired on June 18, 2018. The agencies did not receive any comments. The information collection will be extended as proposed and the agencies are publishing separate final notices.

Board of Governors of the Federal Reserve System, August 15, 2018.

**Ann Misback,**

*Secretary of the Board.*

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